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Approved For Release 2002/08/12 : CIA-RDP61-00763A000100050039-7

DPD-1455-59

Copy 4 of 4

6 March 1959

MEMORANDUM FOR THE RECORD

SUBJECT: Disposition of Property under Contract No. BE-2022 with Westinghouse Electric Corp.

1. Reference is made to Contract No. BE-2022 with Westinghouse Electric Corp. for studies, investigations and tests in the field of electromagnetic radiation under Project

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2. Performance of work and services under the contract has been completed and the contractor by letter dated 11 February 1959, attached, has submitted the following proposal concerning the disposition of the contract property inventory:

In exchange for the Government-owned property listed on Page 2 of the attached letter and consisting of two (2) garages and other improvements constructed on contractor's premises, one (1) Ratiomotor, one (1) Ladder 10 ft., one (1) Gear Head and one (1) Winch assembly the contractor has offered eighteen (18) items of contractor-owned electronic equipment listed under "NOTE" on Inclosure 1 to the attached letter.

3. The original value of the Government-owned property was \$13,929 of which \$9800 was for erected structures and improvements in place. The original value of the contractor-owned property was \$6,400 and this property is now on loan for use in the performance of Contract No.

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4. In support of its offer, the contractor states that the two buildings are of frame construction and if disposed of normally the Government will have to pay for the cost of tearing them down and then would realize only the scrap value of the lumber. The other improvements, paving, installations of power and telephone lines, etc. have practically no salvage value. The contractor further states that on the other hand, the proposed arrangement would allow the Government to keep the Westinghouse-owned property and thereby maintain the complete test set-up in an operable status. In addition, the contractor states that barring unforeseen circumstances, the two buildings would be available on any contracts the Government may let which may require their use.

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5. The exchange of property proposed by the contractor in its letter of 11 February 1958 and restated above is believed to be fair and reasonable in light of the reasons cited, and it is recommended that, unless other known requirements for the Government-owned property exist, the contractor's proposal be approved.

6. Upon approval of the contractor's proposal, this office will endeavor to negotiate an agreement with the contractor whereby the structures and improvements will be left in place for a period of at least one (1) year pending possible future use by the Project.

7. It is also recommended that the contractor be authorized to scrap the additional residual inventory listed in Enclosure 3 to the attached letter for the reasons set forth in the "NOTE" thereon.

SIGNED

[Redacted Signature]

Contracting Officer

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CONCUR:

for [Redacted Signature]

Chief, Materiel

Approvals recommended in
Paragraphs 5 and 7, are granted.

SIGNED

[Redacted Signature]

Chief, R&D

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DPD-DD/P: [Redacted] arp
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- Orig. - BE-2022 Westinghouse A&I
- 2. - Materiel
- 3. - Finance
- ✓ 4. - Chrono

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